

OIL AND GAS LEASE

This Lease Agreement (the "Lease") is made and entered into this 7th day of September 2009 (the "Date Hereof") by and between Robert D. Richmond and Virginia Richmond, husband and wife, having an address of, RR5 Box 120, Moundsville, WV 26041 (hereinafter referred to as "Lessor"), and **AB RESOURCES LLC**, a Delaware limited liability company, having an address of 6802 W. Snowville Road, Suite E, Brecksville, Ohio 44141 (hereinafter referred to as "Lessee").

(1) **GRANTING PROVISION** - In consideration of the sum of Ten Dollars (\$10.00) in hand paid, the receipt and adequacy of which is hereby acknowledged, and in further consideration of the covenants and agreements herein contained, Lessor hereby grants, leases and lets exclusively to Lessee, its heirs, successors and assigns, for the purpose of exploring for (including geophysical operations), drilling for, developing, treating, producing, operating for, and marketing oil and/or gas, along with all other hydrocarbon substances produced in association therewith, plus all other rights and privileges that are necessary for or convenient in producing, withdrawing, storing, transporting, and marketing oil and gas, regardless if such rights are specifically enumerated herein, in and to the lands covered hereby. For a description of the lands covered hereby see Section 2 below.

(2) **DESCRIPTION OF LANDS** - The lands covered by this Lease are those certain tracts or parcels of land situate in Clay District, **Marshall County, West Virginia**, as each tract or parcel is more precisely identified on Exhibit "A", which is attached hereto and made a part hereof. On the Date Hereof, the total acres of all lands covered by this Lease are 31.74 gross acres, more or less, 31.74 (net mineral acres, more or less). This Lease includes any interest in said lands that Lessor hereafter acquires by reversion, prescription or otherwise. In addition to the lands set forth on Exhibit "A", Lessor hereby leases and lets unto Lessee any and all strings or parcels of land that are owned or may be claimed by Lessor that are adjoining or contiguous to the lands specifically identified hereunder. All lands hereby leased to Lessee, including all subsurface strata or horizons, are hereinafter referred to as the "Leased Premises".

(3) **TERM OF LEASE** - Subject to the other provisions contained herein, this Lease shall be and continue in full force for a Primary Term of **Five (5) years** from the Date Hereof (the "Primary Term") and for a secondary term that is for so long thereafter (after the Primary Term) as oil, gas or other substances covered hereby are produced, or capable of producing, in paying quantities, as determined by Lessee, or this Lease is otherwise maintained pursuant to the provisions hereof.

(4) **LESSOR ROYALTIES** - Subject to the terms and conditions hereof, Lessee shall pay or deliver to Lessor, as royalty, the following:

(a) as royalty for crude oil (hereinafter "Oil"), Lessee, or the crude Oil purchaser selected by Lessee, shall pay, free of production cost, an equal one-eighth ($1/8^{\text{th}}$ or 12.5%) of the gross proceeds realized by Lessee for all Oil produced, saved and sold from the Leased Premises; and,

(b) as royalty for natural gas (including casing-head gas) and all other substances, except Oil, covered hereby (hereinafter "Gas"), Lessee shall pay to Lessor the equal one-eighth ($1/8^{\text{th}}$ or 12.5%) of the gross proceeds realized by Lessee for all Gas produced and sold off the Leased Premises. For all Gas so produced and sold, the volumetric measurement base shall be one (1) cubic foot of gas at a pressure base of fourteen and seventy-three hundredths (14.73) pounds per square inch absolute and a temperature base of 60 degrees Fahrenheit unless adjusted to the average of hourly temperatures if the actual temperature of the Gas flowing through the sales or royalty meter is recorded. For the purpose of this provision, all Gas volumes associated with this Lease shall be calculated on an Mcf basis.

(5) **LESSOR'S INTEREST** - If Lessor owns less of an interest in the Leased Premises than the entire and undivided estate herein leased, then the royalties, shut-in royalties, delayed rentals and any other payments made to Lessor by Lessee shall be paid by Lessee only in the proportion to which Lessor's interest bears to the whole and undivided estate. If the Leased Premises shall hereafter be subdivided, the Leased Premises shall nevertheless be developed and operated as one lease, and all royalties accruing hereunder shall be treated as an entirety, and shall be divided among and paid to such separate owners in the proportion that the acreage owned by each owner bears to the entire Leased Premises. This Lease covers only the oil, gas and mineral rights owned by the Lessor in the Leased Premises, based on the information filed of record in the relevant property records of the Recorder's Office of the county in which the Leased Premises are located.

Jan Pest
MARSHALL County 03:50:32 PM
Instrument No 1300647
Date Recorded 02/25/2011
Document Type O&G
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Book-Page 725-91
Recording Fee \$8.00
Additional \$6.00

(6) RENTAL PAYMENT - This Lease is made on the condition that it will become null and void and all rights hereunder shall cease and terminate unless work for the drilling of a well is commenced on the Leased Premises or lands pooled or unitized therewith within ninety (90) days from the Date Hereof and thence prosecuted with due and reasonable diligence, or unless Lessee pays to Lessor, in advance and commencing before said ninety (90) days and every twelve (12) months thereafter until work for the drilling of a well is commenced, the sum of one hundred dollars (\$100.00) per net mineral acre leased for each twelve (12) months of the Primary Term during which the commencement of the drilling of a well is delayed.

Payment or tender of all moneys due Lessor hereunder may be made by check or draft mailed or tendered to Lessor at the address above stated or any alternate address as directed, in writing, by Lessor.

(7) CONTINUING OPERATIONS - If, at the end of the Primary Term or any time thereafter, this Lease is not being kept in force by any other provision hereof, but Lessee is then engaged in drilling, reworking or any other operation calculated to obtain production from the Leased Premises (including lands pooled or unitized therewith), this Lease shall remain in force for as long as such operations are conducted in a reasonably prudent manner and, if such operations result in the production of any substance covered hereby, then for as long thereafter as, in the opinion of Lessee, production continues or is capable of continuing in paying quantities.

(8) POOLING OR UNITIZATION - Lessee is hereby granted the right to pool or unitize all or any portion of the Leased Premises with any other lands, leases or property for the production of any substance covered hereby, so as to create one or more drilling or production units. Each such drilling or production unit shall not exceed six hundred forty (640) acres in size. In the event all or any portion of this Lease is so unitized, the Lessor agrees to accept in lieu of any royalty recited herein above such proportionate share of such royalty as the amount of the Leased Premises contributed to the given unit (based on acreage) bears to the total number of acres comprising the unit.

Lessee may create the unit by executing an instrument identifying and describing the pooled acreage and shall mail a copy thereof to the Lessor's last known address. Lessee shall have the recurring right to revise any unit formed hereunder either before or after commencement of production. In the event of a revision, Lessee shall execute a written instrument describing the revised unit and stating the effective date of the revision. Lessee shall mail a copy thereof to the Lessor's last known address and the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination.

Production, drilling or reworking operations anywhere on a unit that includes all or any part of the Leased Premises shall, except for the payment of royalties, be treated as if the production drilling or reworking operations were also on the Leased Premises.

(9) ANCILLARY RIGHTS - Lessor grants to Lessee the full right of ingress, egress, and regress on, over, under and through the Leased Premises with the right to transport by pipelines or otherwise, Oil, Gas, water and their constituents produced and/or saved from the Leased Premises or from lands pooled or unitized therewith, plus the following exclusive rights: (i) the right to inject water, air, brine, gas and other fluids into subsurface strata for enhanced or primary Oil and/or Gas recovery or production; and, (ii) the right of ingress, egress, and regress, as well as the right to lay and maintain pipelines as granted hereby shall apply to the entire Leased Premises throughout all terms hereof, notwithstanding any release or other termination affecting any portion of the Leased Premises; and, (iii) the right of placing electric and telephone lines over the Leased Premises; and, (iv) the right to erect necessary buildings, tanks, towers, stations or other structures thereon; and, (v) the right to use, free from royalty, sufficient Oil, Gas and water produced from the Leased Premises for all operations thereon (provided Lessee finds water at its own expense); and, (vi) the right to sublease, subdivide and/or release all or any portion of the Leased Premises; and, (vii) the right to surrender all or any portion of this Lease at any time and thereupon Lessee shall be fully discharged from all obligations, covenants and conditions herein contained relating to the part or portion so surrendered.

When requested by Lessor, in writing, Lessee shall bury its pipelines below plow depth in areas utilized for farming operations. No well shall be located within one hundred (100) feet from any house now on the Leased Premises without Lessor's consent and Lessee shall pay for damage caused by its operations to buildings and growing crops thereon at the then current market rate for such crop. Lessee shall have the right to remove its fixtures, equipment and materials, including well casing, from the Leased Premises at any time during which this Lease is in force and effect and for up to ninety (90) days after the termination or expiration thereof.

(10) SHUT-IN ROYALTY - Notwithstanding anything herein to the contrary, if all wells on the Leased Premises, or on a unit that includes all or a part of the Leased Premises, capable of producing Oil and/or Gas in paying

quantities are shut-in for a period of three hundred sixty-five (365) consecutive days, and there is no current production from or operations on the Leased Premises sufficient to keep this Lease in force or when this Lease is not otherwise kept in force by other provisions of this Lease, the Lessee may maintain this Lease in effect by tendering to Lessor a shut-in royalty equal to five dollars (\$5.00) for each acre of the Leased Premises that is part of the acreage contained in any production unit as described in Sections 8 above. Said shut-in royalty shall be paid or tendered to the Lessor on or before the end of each 365 day period in which all wells are so shut-in. Upon payment of the shut-in royalty as provided herein, this Lease will continue in force during all of the time or times while such wells are so shut-in.

(11) CESSATION OF PRODUCTION - If, after the expiration of the Primary Term of this Lease, a well that produces Oil, Gas, and/or their constituent parts (or a well that is shut-in for any reason or cause) that is located on the Leased Premises or on land pooled or unitized therewith, is plugged and abandoned and is the only remaining well that maintains this Lease in force and effect, this Lease shall not terminate provided that Lessee commences operations for the drilling of a new well within sixty (60) days after the plugging and abandonment of such last well on the Leased Premises then in effect or on lands to be pooled or unitized therewith; and this Lease shall remain in force and effect as to such Leased Premises provided that such operations are diligently carried on with no cessation of more than sixty (60) consecutive days, subject to force majeure; and if such operations result in the production of Oil, Gas, and/or their constituent parts, then this Lease shall continue for so long thereafter as Oil, Gas, and/or their constituent parts is produced from such Leased Premises, or from land pooled or unitized therewith.

(12) TAXES - All taxes assessed or payable on the Oil and Gas or any increase in the real estate taxes, or taxes in lieu of real estate taxes, because of the Oil and Gas or operations under this Lease shall be paid by the parties hereto in proportion to their interest.

(13) FORCE MAJEURE - When drilling or other operations are delayed or interrupted by storm flood, fire, or other acts of God, war, rebellion, insurrection, riot, strikes, differences with workmen or failure of carriers to transport or furnish facilities for transportation, or as a result of some law, order or regulation of the government, or as a result of shortage in material or equipment, or as a result of any cause whatsoever beyond the control of the Lessee, the time of such delay or interruptions shall not be counted against Lessee, anything in this Lease to the contrary notwithstanding. This Lease shall not be terminated in whole or in part, nor Lessee held liable in damages for failure to comply therewith if compliance is prevented by, or if such failure is the result of any such law, order, rule or regulation or any event beyond the control of the Lessee. If from such cause Lessee is prevented from conducting drilling or reworking operations on the Leased Premises or producing Oil or Gas from the Leased Premises, or lands pooled therewith, the time while the Lessee is so prevented shall not be counted against Lessee and this Lease shall be extended for a period of time equal to that during which the Lessee is so prevented.

(14) DEFAULT - No default shall be declared against the Lessee for failure to make payment or perform any conditions provided for herein unless the Lessee shall refuse or neglect to pay or perform the same for thirty (30) days after having received written notice from Lessor of such nonpayment or nonperformance.

(15) SUCCESSORS AND ASSIGNS - All covenants and conditions between the parties hereto shall extend to their heirs, executors, successors and assigns ~~and the Lessor hereby generally warrants and agrees to defend the title~~ to the Leased Premises, but no change or division in ownership of the Leased Premises, whether all or any part, shall operate to enlarge the obligations or diminish the rights of the Lessee. Lessor agrees that the Lessee, at its option, may pay, discharge or redeem any taxes, mortgages or other liens existing, levied or assessed on or against the Leased Premises, and in the event it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying any royalty or rentals accruing hereunder to the discharge of any such taxes, mortgages or other liens.

(16) OPTION TO EXTEND - Lessor covenants that it will not grant an oil and gas lease or other similar rights in and to the Oil and Gas covered by this Lease, or any portion thereof, to any party other than the Lessee during the Primary Term of the Lease. Furthermore, If operations on the Leased Premises have not been commenced by Lessee during the Primary Term, then Lessee shall have the exclusive right and option, no less than thirty (30) days before the end of the Primary Term, to extend the Primary Term of this Lease for an additional five ~~(5) years~~ ^{1 YEAR} commencing from the last day of the original Primary Term. Should Lessee decide to so extend the Primary Term, it must first pay the Lessor an amount, on per acre basis, equal to that which was paid to the Lessor under Paragraph 6 hereof, and such payment shall continue annually thereafter until operations for the drilling of a well are commenced on the Leased Premises or on lands pooled therewith. It is understood that the Lessee shall not be permitted to begin any activities during the extended Primary Term of this Lease unless and until the initial extension payment mentioned above has been paid to the Lessor.

(17) **ARBITRATION** - Any disputes or issues concerning this Lease or performance thereunder that can not be resolved between the Lessor and the Lessee shall be ascertained and determined by three disinterested arbitrators, one thereof to be appointed by the Lessor, one by the Lessee and the third by the two so appointed as aforesaid, and the award of such three persons shall be final and conclusive. The cost of such arbitration will be borne equally by the parties.

(18) **WAIVER IN WRITING** - The failure of either party to enforce or exercise any provision of this Lease shall not constitute or be considered as a waiver of the provision in the future unless the same is expressed in writing and signed by the respective parties.

(19) **GOVERNING LAW** - This Agreement shall be construed under the laws of the State of West Virginia.

(20) **HEADINGS** - The headings used throughout this document are for purposes of convenience and reference only and shall in no way limit, alter, interpret, or affect the provisions, conditions, or agreements contained herein.

(SEE ADDENDUM ATTACHED HERETO AND MADE A PART OF)

IN WITNESS WHEREOF, Lessor and Lessee have hereunto executed this Lease, effective as of the Date Hereof.

LESSOR

Robert D. Richmond
Robert D. Richmond

Virginia M. Richmond
Virginia Richmond

LESSEE

Gordon O. Yonel
AB RESOURCES LLC
By: Gordon O. Yonel
Its: Chief Executive Officer

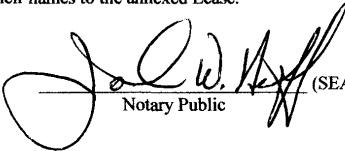
- ACKNOWLEDGMENTS -

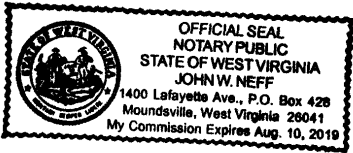
State of WEST VIRGINIA :
: ss
County of MARSHALL :

On this the 7TH day of SEPTEMBER 2009, before me personally came Robert D. Richmond and Virginia Richmond, husband and wife, who, being by me duly sworn did depose and say that they resides at RR5 Box 120, Moundsville, WV 26041, and they duly acknowledged to me that they signed their names to the annexed Lease.

IN WITNESS WHEREOF, I hereunto set my hand and official seal

My Commission Expires:

 (SEAL)
Notary Public

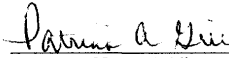


State of Ohio :
: ss
County of Cuyahoga :

On this the 2nd day of October 2009, before me personally came Gordon O. Yonel, who, being by me duly sworn, did depose and say that he is the Chief Executive Officer for AB Resources LLC, the limited liability company described in and which executed the annexed Lease; and that he signed his name thereto by the requisite authority vested in him by said limited liability company.

IN WITNESS WHEREOF, I hereunto set my hand and official seal

My Commission Expires: 11 9 13

 (SEAL)
Notary Public



Patricia A. Gili
Notary Public, State of Ohio
My Commission Expires
November 9, 2013

This document prepared by:
AB Resources LLC
6802 W. Snowville Rd., Suite E
Brecksville, Ohio 4414

Exhibit "A"

Attached to and made a part of that certain OIL AND GAS LEASE dated September 7, 2009, by and between Robert D. Richmond and Virginia, husband and wife, having an address of RR5 Box 120, Moundsville, WV 26041 and AB RESOURCES LLC, a Delaware limited liability company, as Lessee.

Tract #1 & 2

District of Clay County of Marshall.

Tax Map/Parcel # 04 12000500000000 & 04 8002000000000 Bounded currently or formerly as follows:

On the North by: 4-8-18 Bonnar, 4-8-23 Williams

On the East by: 4-8-23 Williams, 4-8-20 Robinson, 4-8-21 Kesselring

On the South by: 4-12-10.5 Durrah, 4-12-16 Barrett, 4-12-7 Thomas

On the West by: 4-12-3 Chaplin

Containing 31.74 Gross acres, 31.74 Net mineral acres and more fully described in deed recorded in Book 532, at Page 152 of Marshall County, West Virginia

LESSOR(s) INITIALS: RDR Y.R.
RDR VR

ADDENDUM

Attached to and made a part of that certain OIL AND GAS LEASE dated the 7th day of September, 2009, by and between, Robert D. Richmond and Virginia Richmond, husband and wife, Lessor, and AB RESOURCES LLC, Lessee.

All terms contained in this Addendum shall be controlling and any terms or conditions in the OIL AND GAS LEASE which are inconsistent with these terms shall be void.

(1) The location of any well(s) to be drilled on the lease premises and/or access roads, pipelines and tank batteries from said wells) shall be approved by the Lessor or one of their representatives in writing prior to location thereof. Such approval shall not be unreasonably withheld or delayed.

(2) Lessee hereby agrees to restore all lands used in its surface operations to as near the original condition as practicable.

(3) Lessor may, at Lessor's sole risk and cost, lay a pipeline to any one non-coalbed methane gas well on the premises, and take gas produced from said well for domestic use in one dwelling house on the leased premises, at Lessor's own risk, subject to the use and the right of abandonment of the well by the Lessee, and subject to any curtailments or shut-in by any purchaser of the gas. The first two hundred thousand cubic feet of gas taken each year shall be free of cost, but all gas in excess of two hundred thousand cubic feet of gas taken in each year shall be paid for at the last published rates of the gas utility in the town or area nearest to the leased premises or the field market rate, whichever is higher. Lessor to lay and maintain the pipeline and furnish regulators and other necessary equipment at Lessor's expense. Lessor shall also, at the request of Lessee, install a meter to measure said gas. This privilege is upon the condition precedent that the Lessor shall subscribe to and be bound by the reasonable rules and regulations of the Lessee relating to the use of said domestic-use gas, and Lessor shall maintain the said pipeline, regulators and equipment in good repair and free of all gas leaks and operate the same so as not to cause waste or unnecessary leaks of gas. If the Lessor shall take excess gas as aforesaid in any year and fail to pay for the same, the Lessee may deduct payment for such excess gas from any rentals or royalties accruing to the Lessor hereunder. Lessor acknowledges that he has been advised as to the risks inherent in the taking of gas in this manner, and Lessor agrees to assume all such risks whether same be caused by Lessor's lines or equipment, or whether same be caused by Lessee's equipment or well operation; and Lessor agrees to hold Lessee and the well operator and all parties in interest in any well on the leasehold premises harmless from any claims of any nature whatsoever which may rise by the usage of gas from any such well by Lessor, his heirs, executors, administrators and assigns. The within right of

domestic use gas shall not be assignable without the written consent of the Lessee. Lessor further agrees that upon the sale or transfer of the leasehold premises wherein someone other than the Lessor is entitled to take the gas under this paragraph, that the gas supply will be terminated by Lessee until the Seller of the property has received written consent to assign said domestic-use gas from Lessee and Buyer executes an agreement regarding the usage of the gas. In the absence of such an agreement and Lessee's written consent to assign said domestic-use gas, domestic-use gas under this provision shall terminate. Under no circumstances shall Lessor be entitled to use domestic-use gas from any well which produces methane gas from coal seams (coalbed methane).

(4) Lessee agrees to pay a fair market value for any and all damages resulting to marketable timber and/or forest products caused by its operations under the terms of this lease. Lessee shall submit a valuation of marketable timber damages to Lessor and Lessor shall have thirty (30) days to accept or reject Lessee's valuation.

Lessor(S) Initials: RDR V.K.
RDR VR

End of Addendum

STATE OF WEST VIRGINIA, MARSHALL COUNTY, SCT.:

I, JAN PEST, Clerk of the County Commission of said County, do hereby certify that the annexed writing, bearing date on the 7th day of September, 2009, was presented for and by me, admitted to record in my office upon the above certificate as to the parties therein named this 25th day of February, 2011 at 3:50 o'clock P.M.

TESTE: Jan Pest Clerk.